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United States Department of Agriculture

BUREAU OF AGRICULTURAL ECONOMICS

SERVICE AND REGULATORY ANNOUNCEMENTS NO. 146

ITEMS RELATING TO THE ADMINISTRATION OF THE UNITED STATES COTTON STANDARDS AND COTTON FUTURES ACTS

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LICENSING OF COTTON SAMPLERS

The reliability of the classification of any cotton is recognized as depending upon two requisites: (1) An authentic and representative sample and (2) accurate grading and stapling. Failure to meet the first of these requisites tends to nullify the value of the second. To make available the means for assuring, when such assurance is desired, the regularity and representative nature of samples drawn for classification, the United States Cotton Standards Act was amended March 4, 1933,¹ to authorize the Secretary of Agriculture to issue samplers' licenses to qualified persons upon their application. A new regulation which was drawn to make the licensing authority effective was issued by the Secretary on December 15, 1933.

To insure the performance of duties by each holder of a license and to protect the financial interests properly and in good faith relying upon the integrity of samples drawn by a licensed sampler, a bond of \$2,000 or more is required in each case. Any person injured by the breach of any obligation to secure which a bond is given will be entitled to sue on the bond in his own name in any court of competent jurisdiction to recover the damages he may have sustained by such breach. The condition of the bond is that the holder of a license shall not be guilty of any act or acts of fraud or dishonesty, either directly or through connivance with others, in the performance of any duty as a licensed cotton sampler, and that he will faithfully perform his obligations as a licensed sampler under the terms of the law and the Secretary's regulations.

Any qualified person over 21 years of age may apply for a license, subject to compliance with certain requirements which are considered essential to the proper functioning of the sampling service. Applications are submitted on a form supplied for the purpose by the Bureau of Agricultural Economics. Each such application must be signed by the applicant and must be verified by

¹ 47 Stat.L. 1621. See p. 21.

him under oath or affirmation administered by an authorized official. It must contain or be accompanied by satisfactory evidence that he has passed his twenty-first birthday and that he is a resident of the United States; satisfactory evidence of his training and experience in the sampling and handling of cotton; a statement that the applicant agrees to comply with and abide by the Secretary's regulations so far as they may relate to him; and other necessary information.

The fee for the issuance of a license has been fixed at \$5. A renewal fee of \$3 will be required at the beginning of each new cotton season.

A sampler will not be debarred by other duties from obtaining a license, but to insure disinterestedness it is provided that the holder of a license shall not draw an official sample from any cotton in which he or his employer is financially interested. With respect to employees of warehouse corporations, this requirement is interpreted to mean that if 51 percent or more of the common stock of such warehouse corporation is owned by a cotton merchant or firm, or if the holdings of individual members of such firm aggregate 51 percent or more of the outstanding common stock of the warehouse corporation, a licensed sampler may not draw official samples from cotton owned by such merchant or firm.

Although the licensing of samplers is entirely voluntary, any sampler who applies for and obtains a license necessarily subjects himself to the provisions and requirements of the law and regulations applicable to licensees and so pledges himself in his application for a license. Among his duties and obligations are the following:

(1) When requested, promptly to sample any cotton made available to him under conditions that will permit proper sampling, such service to be given without discrimination and upon reasonable terms.

(2) To make reports, when requested, bearing upon his activities as a licensed sampler.

(3) To keep his license conspicuously posted at the place where he functions as a sampler, or such other place as may be approved by the Bureau of Agricultural Economics.

(4) To draw, handle, and prepare each official sample in accordance with instructions furnished by the Bureau.

Instructions are furnished to each holder of a license for his guidance. These instructions are intended to make adequate provision for the proper sampling of each bale, the use of proper safeguards in the handling and identification of samples, and their preparation for delivery or shipment to boards of cotton examiners, licensed classifiers, or to the owners of the cotton. In addition to other requirements, it is provided that each such sample shall be identified to show its official character, and that each parcel of samples shall bear an official licensed cotton sampler's seal affixed to the wrapper in such a way that it cannot be removed without breaking the seal or destroying the wrapper prior to delivery for examination.

Each licensed sampler is required to permit any officer or agent of the Department who is authorized for the purpose to inspect or examine on any business day during the usual hours of business his books, papers, records, and accounts relating to the performance of his duties under the law and the regulations.

The Secretary of Agriculture is authorized to suspend or revoke a license whenever he is satisfied, after reasonable opportunity afforded to the licensed sampler for a hearing, that such licensee is incompetent or has knowingly or carelessly sampled cotton improperly or has violated any provision of the law or the regulations thereunder, so far as the same may relate to him, or has used his license or allowed it to be used for any improper purpose.

The supervisory activities of the Bureau will have constantly in view the obligations of the licensee to the public as well as the necessity under the law of a due observance of the rights and the responsibilities of the licensed sampler himself.

As is generally known, substantial progress has been made in the administration of the Cotton Standards Act, particularly in the standardization and classification services. The standards established under the act are now in use not only in the principal markets of this country but in the markets of the world, wherever American cotton is sold. Services of classification by officers of the Department of Agriculture have been provided at all of the futures contract delivery points and in Washington. But it has been possible to make these services available only at points where cotton is concentrated

in large volume. Since the services are supported out of fees collected, it has not been practicable to extend them as fully as many persons have desired. There has also been a marked increase, during recent years, in the demand for the services of licensed cotton classifiers under the act. The licensing of samplers is expected to provide, among other things, a practical procedure for making available the classification services of the boards of cotton examiners and of licensed cotton classifiers at points at which such services are not now obtainable.

INTERNATIONAL UNIVERSAL COTTON STANDARDS CONFERENCES

As a matter of permanent record, the following reports are given of the Universal Cotton Standards Conferences of 1931 and 1933.

THE CONFERENCE OF 1931

The regular biennial meeting provided for in the universal standards agreements between the Department of Agriculture and nine cotton exchanges and associations of Europe was held in Washington beginning May 9, 1931. Postponement to this date was agreed upon at the request of certain of the European associations.

The biennial meetings are for the purpose of approving copies of the universal standards for American cotton for use by the Department and by the European organizations during the 2-year period beginning August 1 next following each such meeting. At the 1931 meeting, 65 full sets of copies of the universal standards, 25 fractional sets of the grades Strict Middling to Strict Low Middling, inclusive, and 10 additional boxes of Middling White—a total of 1,385 boxes—were approved.

Pursuant to a resolution of the European delegation at the conference of 1929 "that the standards of Blue and Yellow Stained be transferred to inactive standards and that such standards be not submitted to be passed at the biennial conference", it was proposed that the tinged and stained boxes might be approved by the experts of the Department of Agriculture alone and included in the key sets at the 1931 and future conferences. But since there was not unanimous agreement among the signatory associations on this proposal, the boxes representing the tinged and stained grades were submitted for approval along with the others.

Representatives from the European and the American organizations were present as follows:

EUROPEAN DELEGATES TO UNIVERSAL COTTON STANDARDS CONFERENCE OF 1931

Centro Algodonero de Barcelona, Barcelona, Spain: Francisco Fontanills, Ramon Par.

Bremer Baumwollbörse, Bremen, Germany: H. Westerschulte, G. A. Furst.

Marché de Coton à Gand, Ghent, Belgium: Edgar Wibbo, Robert P. Pflieger.

Syndicat du Commerce des Cotons au Harve, Harve, France; A. H. Lerch, Max LeMierre.

Liverpool Cotton Association, Ltd., Liverpool, England: W. J. Walmsley, Frank Parrington, A. C. Nickson.

Manchester Cotton Association, Ltd., Manchester, England: C. E. H. Hobson, H. Robinson.

Federation of Master Cotton Spinners' Associations, Ltd., of England, Manchester, England: H. Bleakley, H. S. Butterworth.

Associazione Italiana Fascista degli Industriali Cotonieri, Milan, Italy: Luigi Garbagnati, Alfredo Tobler.

Vereeniging voor den Katoenhandel te Rotterdam, Rotterdam, Holland: R. El. Schwaln, I. J. Kalmon.

(Daisaburo Kobayashi, representing the Japan Cotton Spinners' Association and the Japan Cotton Merchants' Union, was in attendance as a guest of the Department during the passing of the standard boxes.)

AMERICAN DELEGATES TO UNIVERSAL COTTON STANDARDS CONFERENCE OF 1931

American Cotton Shippers Association, Memphis, Tenn.: R. C. Dickerson, F. Lindsay,² Mark Anthony.²

American Cotton Manufacturers Association, Charlotte, N.C.: W. M. McLaurine, Sidney Bluhm, Henry Roediger, Ted Lewis.

² Did not attend the first meeting.

Cotton Manufacturers Association of North Carolina, Charlotte, N.C.: A. W. Fisher.

Cotton Manufacturers Association of South Carolina, Greenville, S.C.: W. A. Floyd, E. W. Montgomery.

Cotton Manufacturers Association of Georgia, Atlanta, Ga.: B. J. Kane, A. J. Kelly.

Alabama Cotton Manufacturers' Association, Anniston, Ala.: J. J. Bradley, H. H. Green.

American Cotton Cooperative Association, New Orleans, La.: J. Raymond Frye.

Atlantic Cotton Association, Atlanta, Ga.: J. T. Greene, Joseph Walker, A. R. Saxon.

Board of Trade of the City of Chicago, Ill.: W. R. Meadows.

Cotton Textile Institute, New York, N.Y.: C. A. Cannon, H. S. Newcombe.

Gaston County Yarn Manufacturers' Association, Gastonia, N.C.; J. R. Mathews.

Houston Cotton Exchange, Houston, Tex.: C. L. Jones.

National Association of Cotton Manufacturers, Boston, Mass.: F. B. Ricketson, A. R. Pierce, Benjamin P. Whitney, Percy W. Ellis, R. T. Fisher.

New England Cotton Buyers Association, Boston, Mass.: Henry G. Brooks, Harry Diamond.

New Orleans Cotton Exchange, New Orleans, La.: H. Baumgarten.

New York Cotton Exchange, New York, N.Y.: H. L. Goss.

Oklahoma State Cotton Exchange, Oklahoma City, Okla.: W. D. Maxwell.

The Rubber Association of America, Inc., New York, N.Y.: R. H. Goebel, Sam Steer,² L. D. Baggett, M. N. Twyman, Charles Thompson, F. W. Davis, Jr.

Southern Cotton Shippers Association, Memphis, Tenn.: W. J. Britton.

Texas Cotton Association, Waco, Tex.: J. L. Goldman, Karl G. Hunt.

State College of Agriculture, Athens, Ga.: R. R. Childs, E. C. Westbrook.

Cotton State Arbitration Board, Atlanta, Ga.: E. G. Parker.

United States Department of Commerce, Washington, D.C.: E. T. Pickard, Robert Skliar.

CERTIFICATES OF THE INTERNATIONAL CONFERENCE, SIGNED AT THE CONCLUSION OF THE WORK ON THE COPIES OF THE UNIVERSAL STANDARDS, MAY 12, 1931

The Honorable the SECRETARY OF AGRICULTURE:

SIR: We, the cotton experts assembled at Washington, beginning on May 9, 1931, pursuant to supplementary agreement A relating to the universal standards for American cotton, certify that we have examined and hereby approve as true copies of the original universal standards for American cotton as and when they were established full sets of White cotton nos. 801 to 865, both inclusive; fractional sets nos. 04601 to 04625, inclusive (Strict Middling through Strict Low Middling); and Middling boxes nos. 04626 to 04635, inclusive. This 12th day of May 1931.

AMERICAN DELEGATES

Liverpool Cotton Association, Ltd.:

W. J. WALMSLEY.

FRANK PARRINGTON.

Manchester Cotton Association, Ltd.:

C. E. H. HOBSON.

H. ROBINSON.

Syndicat du Commerce des Cotons au Havre:

A. H. LERCH.

MAX LEMIERRE.

Bremer Baumwollbörse:

H. WESTERSCHULTE.

G. A. FÜRST.

Associazione Italiana Fascista degli Industriali Cotonieri:

LUIGI GARBAGNATI.

ALFREDO TOBLER.

SYDNEY BLUHM, American Cotton Manufacturers Association.

P. W. ELLIS, National Association of Cotton Manufacturers, Cotton Textile Institute.

A. W. FISHER, North Carolina Manufacturers' Association.

H. L. GOSS, New York Cotton Exchange.

H. S. NEWCOMBE, Cotton Textile Institute.

CHARLIE THOMPSON, Rubber Association of America, Inc.

A. R. SAXON, Atlantic Cotton Association.

FRANK W. DAVIS, JR., Rubber Association of America, Inc.

² Did not attend the first meeting.

Marché de Coton à Gand:

EDGAR WIBO.

ROBERT P. PFLIEGER.

Centro Algodonero de Barcelona:

FRANCISCO FONTANILLS.

RAMON PAR.

Vereeniging voor den Katoenhandel te Rotterdam:

R. E. SCHWALM.

I. J. KALMON.

Federation of Master Cotton Spinners' Associations, Ltd., of England:

H. BLEAKLEY.

H. S. BUTTERWORTH.

J. T. GREENE, Atlantic Cotton Association.

W. J. BRITTON, Southern Cotton Shippers Association.

B. J. KANE, Georgia Manufacturers Association.

W. B. MAXWELL, Oklahoma State Cotton Exchange, by J. R. Frye.

A. J. KELLY, Georgia Manufacturers Association.

TED J. LEWIS, American Cotton Manufacturers Association.

JOHN R. MATHEWS, Gaston County Yarn Manufacturers' Association.

H. BAUMGARTEN, New Orleans Cotton Exchange.

J. RAYMOND FRYE, American Cotton Cooperative Association.

RUSSELL T. FISHER, National Association of Cotton Manufacturers.

F. B. RICKETSON, National Association of Cotton Manufacturers.

WILLIAM R. MEADOWS, Chicago Board of Trade.

E. W. MONTGOMERY, South Carolina Cotton Manufacturers Association.

H. H. GREENE, Alabama Cotton Manufacturing Association.

J. J. BRADLEY, Alabama Cotton Manufacturing Association.

W. M. McLAURINE, American Cotton Manufacturers Association.

BENJAMIN P. WHITNEY, National Association of Cotton Manufacturers.

HARRY DIAMOND, New England Cotton Buyers Association.

C. L. JONES, Houston Cotton Exchange.

E. G. PARKER, Cotton States Arbitration Board.

The Honorable the SECRETARY OF AGRICULTURE:

SIR: We, the cotton experts assembled at Washington, beginning on May 9, 1931, pursuant to supplementary agreement A relating to the universal standards for American cotton, certify that we have examined and hereby approve as true copies of the original universal standards for American cotton as and when they were established sets of Tinged and Stained cotton nos. 801 to 865, both inclusive. This 12th day of May 1931.

AMERICAN DELEGATES

Liverpool Cotton Association, Ltd.:

W. J. WALMSLEY.

FRANK PARRINGTON.

Manchester Cotton Association, Ltd.:

C. E. H. HOBSON.

H. ROBINSON.

Syndicat du Commerce des Cotons au Havre:

A. H. LERCH.

MAX LEMIERRE.

Bremer Baumwollbörse:

G. A. FURST.

H. WESTERSCHULTE.

Associazione Italiana Fascista degli Industriali Cotonieri:

LUIGI GARBAGNATI.

ALFREDO TOBLER.

SYDNEY BLUHM, American Cotton Manufacturers Association.

P. W. ELLIS, National Association of Cotton Manufacturers, Cotton Textile Institute.

CHARLIE THOMPSON, Rubber Association of America, Inc.

H. L. GOSS, New York Cotton Exchange.

H. S. NEWCOMBE, Cotton Textile Institute.

A. W. FISHER, Cotton Manufacturers Association of North Carolina.

FRANK W. DAVIS, Jr., Rubber Association of America, Inc.

A. R. SAXON, Atlantic Cotton Association.

Marche de Coton à Gand:
EDGAR WIBO.

ROBERT P. PFLIEGER.
Centro Algodonero de Barcelona:
FRANCISCO FONTANILLS.

RAMON PAR.
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H. BLEAKLEY.
H. S. BUTTERWORTH.

J. T. GREENE, Atlantic Cotton Association.

B. J. KANE, Georgia Manufacturers Association.

W. B. MAXWELL, Oklahoma State Cotton Exchange, by J. R. FRYE.

A. J. KELLY, Georgia Manufacturers Association.

W. J. BRITTON, Southern Cotton Shippers Association.

H. BAUMGARTEN, New Orleans Cotton Exchange.

TED J. LEWIS, American Cotton Manufacturers Association.

JOHN R. MATHEWS, Gaston County Yarn Manufacturers Association.

WM. R. MEADOWS, Chicago Board of Trade.

J. RAYMOND FRYE, American Cotton Cooperative Association.

HENRY ROEDIGER, American Cotton Manufacturers Association.

RUSSELL T. FISHER, National Association of Cotton Manufacturers.

F. B. RICKETSON, National Association of Cotton Manufacturers.

BENJAMIN P. WHITNEY, National Association of Cotton Manufacturers.

CHRISTOPHER L. JONES, Houston Cotton Exchange.

H. H. GREENE, Alabama Cotton Manufacturers Association.

J. J. BRADLEY, Alabama Cotton Manufacturers Association.

W. M. McLAURINE, American Cotton Manufacturers Association.

E. W. MONTGOMERY, South Carolina Cotton Manufacturers Association.

HARRY DIAMOND, New England Cotton Buyers Association.

E. G. PARKER, Cotton States Arbitration Board.

We, being members of the special committee appointed to safeguard the handling, storage, and transportation of the key sets of standards prepared in the Universal Standards Conference which convened in the city of Washington on May 9, 1931, pursuant to supplemental agreement A relating to the universal standards for American cotton, certify that the following numbered sets were allotted as shown herein, at a drawing held in accordance with said supplemental agreement A, in room 406 of the building at 300 Linworth Place SW., at 12 o'clock noon on May 12, 1931.

801, first set drawn by Rotterdam.

802, third set drawn by Havre.

803, third set drawn by Ghent.

804, second set drawn by Manchester
Cotton Association.

805, second set drawn by Liverpool.

806, third set drawn by Barcelona.

807, second set drawn by Barcelona.

808, second set drawn by Ghent.

809, second set drawn by Bremen.

810, first set drawn by Milan.

811, third set drawn by Liverpool.

812, United States Department of
Agriculture.

813, United States Department of
Agriculture.

814, United States Department of
Agriculture.

815, tenth set drawn by Bremen
(White boxes only).

816, United States Department of
Agriculture.

817, United States Department of
Agriculture.

818, United States Department of
Agriculture.

819, United States Department of
Agriculture.

820, fourth set drawn by Liverpool
(White boxes only).

821, third set drawn by Milan.

- 822, fourth set drawn by Havre (S.G.M. to G.O., inclusive).
 823, fifth set drawn by Havre (S.G.M. to G.O., inclusive).
 824, ninth set drawn by Bremen (White boxes only).
 825, third set drawn by Bremen.
 826, second set drawn by Havre.
 827, first set drawn by Liverpool.
 828, first set drawn by Havre.
 829, United States Department of Agriculture.
 830, New England Arbitration Committee.
 831, fifth set drawn by Bremen.
 832, sixth set drawn by Havre (G.M. to L.M., inclusive).
 833, sixth set drawn by Liverpool (G.M. to L.M., inclusive).
 834, United States Department of Agriculture.
 835, first set drawn by Barcelona.
 836, United States Department of Agriculture.
 837, fifth set drawn by Liverpool (G.M. to L.M., inclusive).
 838, United States Department of Agriculture.
 839, Cotton States Arbitration Board.
 840, United States Department of Agriculture.
 841, United States Department of Agriculture.
 842, Japan Cotton Spinners' Association.
 843, United States Department of Agriculture.
 844, sixth set drawn by Bremen.
 845, second set drawn by Federation of Master Cotton Spinners Association, Ltd.
 846, United States Department of Agriculture.
 847, eighth set drawn by Bremen (White boxes only).
 848, fourth set drawn by Bremen.
 849, United States Department of Agriculture.
 850, United States Department of Agriculture.
 851, Japan Cotton Merchants' Union.
 852, third set drawn by Rotterdam.
 853, United States Department of Agriculture.
 854, second reserve set of 1931.
 855, first set drawn by Bremen.
 856, third set drawn by Manchester Cotton Association.
 857, seventh set drawn by Bremen.
 858, first set drawn by Ghent.
 859, second set drawn by Rotterdam.
 860, first reserve set of 1931.
 861, first set drawn by Manchester Cotton Association.
 862, United States Department of Agriculture.
 863, second set drawn by Milan.
 864, first set drawn by Federation of Master Cotton Spinners Association, Ltd.
 865, seventh set drawn by Havre (G.M. to L.M., inclusive).

(Twenty-five fractional sets, Strict Middling to Strict Low Middling, inclusive; and 10 boxes of Middling White to be disposed of by Department pursuant to applications received prior to the conference.)

(Signed) J. RAYMOND FRYE,
 RUSSELL T. FISHER,
 A. H. LERCH,
 G. A. FURST,
 C. E. H. HOBSON,
 L. GARBAGNATI,
 H. C. SLADE.

MEETING UNDER PRINCIPAL UNIVERSAL STANDARDS AGREEMENT

Conference of 1931

At 2 p.m. on May 12, 1931, near the conclusion of the other work of the Universal Standards Conference, a meeting under the principal universal standards agreement was called for a consideration of the subjects referred to in the opening statement by C. W. Kitchen, the Acting Chief of the Bureau of Agricultural Economics, which was as follows:

We have asked you to assemble here for a brief meeting under the principal agreement. Under that agreement the Department has agreed that no changes will be made in the standards until there has been a meeting and an opportunity for discussion. Last year the attention of the Department was called to the interest in special standards for preparation, and it was proposed at that time that standards representing preparation be prepared for long-staple cotton of the grades Strict Middling, Middling, and Strict Low Middling. There was some discussion at the 1929 conference; and while there seemed to be general understanding as to the principle, the European associations desired more time to consider the proposal. Subsequently the Department prepared boxes representing the preparation standards and furnished each of the European associations with sets. Considerable numbers of these boxes also were circulated in the American cotton industry. Now we have received one expression from the European associations which represents their further study of this proposal. It is from

the Liverpool association, dated April 8, 1931. By letter of that date the Liverpool Cotton Association informed the Chief of the Bureau that the tentative preparation types had received careful consideration by the directors of that association, who had passed the following resolution:

"That, after consideration of these types which had been forwarded by the Department, this association is not prepared to adopt them under the universal standards agreement, but is agreeable to receive and place copies of them in the arbitration and appeal rooms of the association and give facilities for arbitrations and appeals to be held under the rules on any contracts which have been made subject to these types." The association will not take any part in the preparation or passing of such types."

Some letters of acknowledgment were received from other associations acknowledging receipt merely of the boxes, without further comment. We would like to take this occasion to ask the other European exchanges to make their comments on this proposal.

The ensuing discussion indicated an unwillingness on the part of the delegates of the European associations to recommend formal adoption of the tentative preparation standards by their organizations, but for the most part the delegates indicated a willingness to have their associations use copies of the preparation standards in connection with arbitrations. On behalf of the American manufacturers' representatives, R. T. Fisher read the following resolution, which was taken under advisement by the Bureau:

Whereas the color of long-staple cotton is usually different from the color of universal grade boxes; and

Whereas the preparation boxes put out for permissive use have been of much value; and

Whereas it has been necessary to use two boxes to show preparation and grade, which has been annoying and confusing; Be it

Resolved, That we petition the Department of Agriculture to make up, at the earliest possible time, standards for preparation of long-staple cotton that will also show the proper grade; that is, color and trash as well as preparation, three standards for each grade, namely, Strict Middling A preparation, in all respects, Strict Middling B preparation, in all respects, Strict Middling C preparation, in all respects, and the same for Middling and Strict Low Middling. These standards to supersede present preparation standards when issued and to be put out for permissive use in this country. Present preparation standards to remain in use until the new standards are issued. We further request that when these standards are put up that the Department allow the manufacturers to have representatives present.

GENERAL DISCUSSIONS

At the conclusion of the meeting under the principal universal standard agreement, opportunity was given for general discussions. These related mainly to the subject matter of the following letter dated January 22, 1931, and addressed to E. A. Foley, the Bureau's representative in London, by the Liverpool Cotton Association:

Sometime ago I received a letter from the International Federation of Master Cotton Spinners and Manufacturers' Associations, which stated that at a meeting of their cotton committee held in Brussels on October 20, 1930, they had passed the following resolution:

"*Resolved*, That the representatives of the European cotton committee of the United States universal standards be invited to bring forward at the next conference at Washington dealing with universal cotton standards the problems of unsatisfactory baling and moisture in American cotton."

In view of this resolution, the international federation asked that the next meeting of the committee which meets the United States Government officials on the question of universal standards should place before them the views of European cotton spinners on the ill effects of unsatisfactory baling and excessive moisture in American cotton. Since that date I have received a further letter from the International Federation of Master Cotton Spinners forwarding samples of oil-covered cotton and cotton containing jute fibers, which they suggest should be submitted when the committee meets to pass the standards at Washington next May.

I have also received a letter from the German Spinners' Association stating that they have received numerous complaints from their affiliated associations with reference to the recurrence of oil patches and the presence of jute fibers in American cotton, and adding that they have been advised by the International Federation of Master Cotton Spinners and Manufacturers' Associations to forward these complaints to me in order that the attention of the United States Government might be drawn to this matter.

Both the international federation and the German spinners have forwarded samples of this oil-damaged cotton in order that they may be submitted to the conference next May, and I have therefore arranged to forward them to you today in the hope that you may be able to despatch them to Washington. As you will be aware, if I attempt to do this, numerous difficulties arise owing to the fumigation when the cotton enters the United States, and the same difficulty occurs if our delegation takes the samples with them.

I shall therefore greatly appreciate any help which you can give in this matter, and also if you will be good enough to forward copy of this letter to the Department of Agriculture in order that they may arrange for the matter to be discussed at the meeting which commences on the 11th of May.

During these discussions representatives of the Bureau pointed out that the Department of Agriculture was without legal authority to exercise regulatory control over the matters referred to. Attention was called, however, to the fact that a ginning laboratory had been established at Stoneville, Miss., to investigate ginning methods and to devise improvements.

THE CONFERENCE OF 1933

The biennial meeting of 1933 under the universal standards agreements convened in Washington on March 13, 1933. At this meeting 1,470 boxes were approved, including 65 full sets of the universal standards and 5 additional boxes of Middling Fair, 5 Strict Good Middling, 20 Good Middling, 40 Strict Middling, 40 Middling, 35 Strict Low Middling, 15 Low Middling, 5 Strict Good Ordinary, and 5 Good Ordinary.

Representatives from the European and the American organizations were present as follows:

EUROPEAN DELEGATES TO UNIVERSAL COTTON STANDARDS CONFERENCE OF 1933

Centro Algodonero de Barcelona, Barcelona, Spain: F. Fontanills, Pedro Baste.

Bremer Baumwollbörse, Bremen, Germany: G. A. Furst, H. Westerschulte.

Marché de Coton à Gand, Ghent, Belgium: Robert P. Pfieger, L. F. François.

Syndicat du Commerce des Cotons au Havre, Havre, France: L. Chausserie-Lapree, Marcel Reinhart.

Liverpool Cotton Association, Ltd., Liverpool, England: N. L. Cappel, J. B. Gartside, A. C. Nickson.

Manchester Cotton Association, Ltd., Manchester, England: J. Smith, H. Robinson.

Federation of Master Cotton Spinners' Associations, Ltd., of England, Manchester, England: Jesse Thorpe.

Associazione Italiana Fascista degli Industriali Cotonieri, Milan, Italy: Edoardo Poss, Marsilio Volpi.

Vereeniging voor den Katoenhandel te Rotterdam, Rotterdam, Holland: H. R. G. Vollbracht, C. Stahl, Jr.

(Takashi Hiroshima, representing the Japan Cotton Spinners' Association and the Japan Cotton Merchants' Union, was in attendance as a guest of the Department during the passing of the standard boxes.)

AMERICAN DELEGATES TO UNIVERSAL COTTON STANDARDS CONFERENCE OF 1933

American Cotton Shippers Association, Memphis, Tenn.: T. F. Bush, R. C. Dickerson, Franklin Lindsay, Mark Anthony.

American Cotton Manufacturers Association, Charlotte, N.C.: A. W. Fisher, Henry Roediger, W. M. McLaurine.

Cotton Manufacturers' Association of North Carolina, Charlotte, N.C.: Sidney Bluhm.

Cotton Manufacturers' Association of South Carolina, Greenville, S.C.: E. W. Montgomery.

Cotton Manufacturers' Association of Georgia, Atlanta, Ga.: A. G. Harris, Jr., B. J. Kane.

American Cotton Cooperative Association, New Orleans, La.: J. Raymond Frye.

Arkansas Cotton Trade Association, Little Rock, Ark.: W. A. Thompson.

Atlantic Cotton Association, Atlanta, Ga.: J. R. Lindsay, B. T. Lowe, Lucian S. Loeb, W. C. Hill.

Board of Trade of the city of Chicago, Chicago, Ill.: W. R. Meadows.

Cotton Textile Institute, New York, N.Y.: W. E. Acton, A. J. Kelly.

National Association of Cotton Manufacturers, Boston, Mass.: Philip Moreland, Russell T. Fisher.

New England Cotton Buyers Association, Boston, Mass.: Henry G. Brooks, T. A. Parlon.

New Orleans Cotton Exchange, New Orleans, La.: H. Baumgarten.

New York Cotton Exchange, New York, N.Y.: Philip B. Weld, Harry J. Weil (H. W. Wassall).

Oklahoma State Cotton Exchange, Oklahoma City, Okla.: W. D. Maxwell.

Rubber Industries: Sam Steer.

Southern Cotton Shippers Association, Memphis, Tenn.: W. J. Britton.

Texas Cotton Association, Waco, Tex.: J. P. Fuesler, Thomas Kehoe, R. L. Dixon, Floyd Willis.

Department of Commerce, Washington, D.C.: W. D. Appel, Robert Sklar.

CERTIFICATES OF THE INTERNATIONAL CONFERENCE, SIGNED AT THE CONCLUSION OF
THE WORK ON THE COPIES OF THE UNIVERSAL STANDARDS, MARCH 17, 1933

The Honorable the SECRETARY OF AGRICULTURE:

SIR: We, the cotton experts assembled at Washington, beginning on March 13, 1933, pursuant to supplementary agreement A relating to the universal standards for American cotton, certify that we have examined and hereby approve as true copies of the original universal standards for American cotton as and when they were established full sets of White cotton nos. 901 to 965, both inclusive, and additional boxes as follows: 5 Middling Fair, 5 Strict Good Middling, 20 Good Middling, 40 Strict Middling, 40 Middling, 35 Strict Low Middling, 15 Low Middling, 5 Strict Good Ordinary, and 5 Good Ordinary. This 17th day of March 1933.

AMERICAN DELEGATES

Liverpool Cotton Association, Ltd.:	SYDNEY BLUHM, North Carolina Cotton Manufacturers Association.
N. L. CAPPEL.	B. J. KANE, Georgia Cotton Manufacturers Association.
JAMES B. GARTSIDE.	HENRY ROEDIGER, American Cotton Manufacturers Association.
Manchester Cotton Association, Ltd.:	J. RAYMOND FRYE, American Cotton Cooperative Association.
J. SMITH.	W. E. ACTON, Cotton Textile Institute.
H. ROBINSON.	THOMAS PARLON, per W. E. Acton, New England Cotton Buyers Association.
Syndicat du Commerce des Cotons au Havre:	W. J. BRITTON, Southern Cotton Shippers Association.
L. CHAUSSERIE-LAPRÉE	WILLIAM A. THOMPSON, Arkansas Cotton Trade Association.
MARCEL REINHART	A. J. KELLY, Cotton Textile Institute.
Bremer Baumwollbörse:	J. R. LINDSAY, Atlantic Cotton Association.
G. A. FURST.	A. G. HARRIS, Jr., Georgia Cotton Manufacturers Association.
H. WESTERSCHULTE.	H. BAUMGARTEN, New Orleans Cotton Exchange.
Associazione Italiana Fascista degli Industriali Cotonieri:	PHILIP A. MORELAND, National Association of Cotton Manufacturers.
EDOARDO POSS.	ROGER L. DIXON, Texas Cotton Association.
MARSILIO VOLPI.	J. P. FUESLER, Texas Cotton Association.
Marché de Coton à Gand:	FLOYD WILLIS, Texas Cotton Association.
ROBERT P. PFLIEGER.	T. F. BUSH, American Cotton Shippers Association.
L. F. FRANÇOIS.	RUSSELL T. FISHER, National Association of Cotton Manufacturers.
Centro Algodonero de Barcelona:	
F. FONTANILLS.	
PEDRO BASTE.	
Vereeniging voor den Katoenhandel te Rotterdam:	
H. R. G. VOLLBRACHT.	
C. STAHL, JR.	
Federation of Master Cotton Spinners' Associations, Ltd., of England:	
JESSE THORPE.	

The Honorable the SECRETARY OF AGRICULTURE:

SIR: We, the cotton experts assembled at Washington, beginning on March 13, 1933, pursuant to supplementary agreement A relating to the universal standards for American cotton, certify that we have examined and hereby approve as true copies of the original universal standards for American cotton as and when they were established sets of Tinged and Stained cotton nos. 901 to 965, both inclusive. This 16th day of March, 1933.

AMERICAN DELEGATES

Liverpool Cotton Association, Ltd.:	SYDNEY BLUHM, North Carolina Cotton Manufacturers Association.
N. L. CAPPEL.	B. J. KANE, Georgia Cotton Manufacturers Association.
JAMES B. GARTSIDE.	HENRY ROEDIGER, American Cotton Manufacturers Association.
Manchester Cotton Association, Ltd.:	
J. SMITH.	
H. ROBINSON.	

Syndicat du Commerce des Cotons au Havre:

L. CHAUSSERIE-LAPRÉE.

MARCEL REINHART.

Bremer Baudiwollbörse:

G. A. FURST.

H. WESTERSCHULTE.

Associazione Italiana Fascista degli Industriali Cotonieri:

EDOARDO POSS.

MARSILIO VOLPI.

Marché de Coton à Gand:

ROBERT P. PFLIEGER.

L. F. FRANCOIS.

Centro Algodonero de Barcelona:

F. FONTANILLS.

PEDRO BASTE.

Vereeniging voor den Katoenhandel te Rotterdam:

H. R. G. VOLLBRACHT.

C. STAHL, JR.

Federation of Master Cotton Spinners' Associations, Ltd., of England:

JESSE THORPE.

J. RAYMOND FRYE, American Cotton Cooperative Association.

W. E. ACTON, Cotton Textile Institute.

W. J. BRITTON, Southern Cotton Shippers Association.

THOMAS PARLON (per W. E. ACTON), New England Cotton Buyers Association.

J. R. LINDSAY, Atlantic Cotton Association.

A. G. HARRIS, JR., Georgia Cotton Manufacturers Association.

A. J. KELLY, Cotton Textile Institute.

WM. A. THOMPSON, Arkansas Cotton Trade Association.

H. BAUMGARTEN, New Orleans Cotton Exchange.

PHILIP A. MORELAND, National Association of Cotton Manufacturers.

J. P. FUESLER, Texas Cotton Association.

FLOYD WILLIS, Texas Cotton Association.

ROGER L. DIXON, Texas Cotton Association.

T. F. BUSH, American Cotton Shippers Association.

MARK ANTHONY, Texas Cotton Association.

RUSSELL T. FISHER, National Association of Cotton Manufacturers.

We, being members of the special committee appointed to safeguard the handling, storage, and transportation of the key sets of standards prepared in the Universal Standards Conference which convened in the city of Washington on March 13, 1933, pursuant to supplemental agreement A relating to the universal standards for American cotton, certify that the following numbered sets were allotted as shown herein at a drawing held in accordance with said supplemental agreement A, in room 406 of the building at 300 Linworth Place SW., at 11 a.m., on March 17, 1933:

901, first set drawn by Milan.

902, third set drawn by Bremen.

903, United States Department of Agriculture.

904, United States Department of Agriculture.

905, United States Department of Agriculture.

906, United States Department of Agriculture.

907, second set drawn by Barcelona.

908, United States Department of Agriculture.

909, United States Department of Agriculture.

910, third set drawn by Barcelona.

911, first set drawn by Barcelona.

912, first reserve set of 1933.

913, second reserve set of 1933.

914, third set drawn by Ghent.

915, United States Department of Agriculture.

916, United States Department of Agriculture.

917, United States Department of Agriculture.

918, United States Department of Agriculture.

919, United States Department of Agriculture.

920, United States Department of Agriculture.

921, first set drawn by Liverpool.

922, special working set for Department.

923, third set drawn by Havre.

924, third set drawn by Liverpool.

925, third set drawn by Milan.

926, United States Department of Agriculture.

927, fourth set drawn by Liverpool.

928, second set drawn by Bremen.

929, second set drawn by Ghent.

930, second set drawn by Havre.

931, fourth set drawn by Ghent.

932, United States Department of Agriculture.

933, United States Department of Agriculture.

934, third set drawn by Manchester Cotton Association.

935, United States Department of Agriculture.

936, United States Department of Agriculture.

- 937, second set drawn by Manchester Cotton Association.
 938, United States Department of Agriculture.
 939, United States Department of Agriculture.
 940, seventh set drawn by Bremen.
 941, first set drawn by Bremen.
 942, first set drawn by Ghent.
 943, first set drawn by Havre.
 944, Japan Cotton Spinners' Association.
 945, Japan Cotton Merchants' Union.
 946, first set drawn by Rotterdam.
 947, Cotton States Arbitration Board.
 948, United States Department of Agriculture.
 949, first set drawn by Federation of Master Cotton Spinners' Associations.
 950, first set drawn by Manchester Cotton Association.
 951, second set drawn by Milan.
 952, second set drawn by Liverpool.
 953, second set drawn by Federation of Master Cotton Spinners' Associations.
 954, United States Department of Agriculture.
 955, United States Department of Agriculture.
 956, United States Department of Agriculture.
 957, United States Department of Agriculture.
 958, United States Department of Agriculture.
 959, New England Arbitration Committee.
 960, third set drawn by Rotterdam.
 961, Sixth set drawn by Bremen.
 962, fifth set drawn by Bremen.
 963, United States Department of Agriculture.
 964, second set drawn by Rotterdam.
 965, fourth set drawn by Bremen.

(Additional approved boxes, as follows, are to be disposed of by Department as required: 5 Middling Fair, 5 Strict Good Middling, 20 Good Middling, 40 Strict Middling, 40 Middling, 35 Strict Low Middling, 15 Low Middling, 5 Strict Good Ordinary, 5 Good Ordinary.)

(Signed) PHILIP A. MORELAND.
 MARK ANTHONY.
 J. RAYMOND FRYE.
 H. VOLLBRACHT.
 PEDRO BASTE.
 EDOARDO POSS.
 MARSILIO VOLPI.
 H. C. SLADE.

MEETING UNDER PRINCIPAL UNIVERSAL STANDARDS AGREEMENT

Conference of 1933

During the afternoon of March 16, 1933, near the conclusion of the other work of the Universal Standards Conference, a meeting under the principal agreement was called for a consideration of the subjects referred to in the opening statement by Nils A. Olsen, Chief of the Bureau of Agricultural Economics, which was as follows:

Mr. OLSEN. The conference will please come to order. This meeting is opened under the principal agreement, in keeping with certain requests that have been made by the European associations. I may say parenthetically that I understand the work in the examining and matching of the boxes has not been quite completed, but will be continued and completed tomorrow. I am right in my understanding that you will all be here to complete that? [After a pause.] Two specific items on the agenda occasioned this meeting under the principal agreement. (1) The request for the revision of the two grades, Good Middling and Strict Good Middling, made by several of the European associations, and (2) a request for an extension of the periods at which we should meet under supplemental agreement A, from 2 years to 3 years. That I may get before you the salient facts regarding the situation with reference to the requested revision of the standards, I read a brief statement. [Starts reading.]

The following is quoted from a letter addressed to Mr. Foley, agricultural attaché at London, under date of February 1, 1933, and signed by Mr. Nickson, secretary of the Liverpool Cotton Association:

At a meeting of the directors of this association held today, I was instructed to give notice to the Department of Agriculture under the provisions of the original cotton standards agreements.

That the Liverpool Cotton Association requests that new universal standards be prepared for Good Middling and Strict Good Middling—

Mr. CAPPEL. Mr. Chairman, since then we have withdrawn that.

Mr. OLSEN. Yes, that is very true; but I thought it would be well to get before the entire conference the situation, including your withdrawal, because we in turn made a counter-proposal. In the interest of clearing the whole matter, I think it would be well to present the facts in the situation.

Mr. CAPPEL. Oh, yes.

Mr. OLSEN. [Continues reading.]

That the Liverpool Cotton Association requests that new universal standards be prepared for Good Middling and Strict Good Middling American cotton with a view to eliminating the excessive buttery or creamy color in these standards.

The association considers that these two standards as they exist at present do not represent the cotton which shippers desire to ship or buyers to receive against such trade designations, and it is for this reason that the above notice is given.

Requests for the same revisions were also addressed to Mr. Foley by the following associations on the dates indicated:

Rotterdam-----	February 3
Spinners' Federation-----	February 3
Havre-----	February 4
Milan-----	February 4
Manchester Cotton Association-----	February 9

The request of the Manchester Cotton Association differed from the others in that it contained the following sentence:

The standards in question, viz., those of 1931, are, in the opinion of the directors of this association, too creamy as compared with the originals, and for that reason the directors are desirous that steps be taken to provide that the 1933 standards are in conformity with the original standards as and when made.

After cable correspondence between Mr. Foley and this Bureau, Mr. Foley on February 10, 1933, advised the various associations that pursuant to item 3 of the principal universal standards agreements, requests had been made that the standards for Good Middling and Strict Good Middling be revised "with a view to eliminating the excessive buttery or creamy color in these standards"; that the Department of Agriculture believes that changes of the kind proposed are desirable, but feels that additional changes should be considered, although time for preparing for the latter before the March meeting was not sufficient; that in compliance with the provisions of the principal agreement the Department would convene a meeting for consideration of the requested revisions of Good Middling and Strict Good Middling immediately following the conclusion of the regular biennial meeting under supplemental agreement A; and that the Bureau expected at that time to announce a subsequent meeting, also to be held under the principal agreement, before August 1934, to consider possible further revisions, and desired assurances from the associations of their willingness to participate in such subsequent meeting.

In a later communication to the various associations through Mr. Foley, it was explained that in view of the possibility of misapprehension it was considered preferable to open the discussions informally, during the March meetings, rather than by correspondence, concerning possible additional revisions, but it was stated that in general the purpose would be to eliminate minor inconsistencies and bring the grades into better alinement with present crops; that the Department has a record of requests pointing in this direction from the associations and from American interests and has itself observed a need for certain changes which should be considered concurrently; that, in general, such further revisions would include adjusting the standard scale to accord with the changes in Good Middling and Strict Good Middling requested by some of the associations to be considered in March, finding means to eliminate the boxes for the Blue and Yellow Stained grades, narrowing the color range for existing standards for spotted cotton, and making provision for more satisfactory description of cotton brighter than the present boxes.

With respect to the request of the Manchester Cotton Association in their letter concerning Good Middling and Strict Good Middling that "steps should be taken to provide that the 1933 standards are in conformity with the original standards as and when made", it was pointed out that since the 1931 reserve sets had been certified as representing the original standards as and when established, no complete revision of the boxes could be made under supplemental agreement A without violence to the 1931 certificate.

The Liverpool Cotton Association has sent to the Department two boxes which it considers desirable to use as a basis for consideration in connection with the proposed revision of Good Middling and Strict Good Middling.

Cables from Mr. Worth (of the Bureau's London office), dated March 6, advised that Rotterdam prefers to postpone final decision concerning the alteration of Good Middling and Strict Good Middling and the proposed conference in 1934 until the delegates meet in Washington this month; also, that Milan believes the additional revisions proposed by the Department would cause difficulties in the Milan trade, and is therefore opposed to any such changes, and after further consideration, withdraws its request to alter Good Middling and Strict Good Middling as requested in its letter of February 4. [Completes reading.]

Mr. OLSEN. I now have, as you see Mr. Cappel, a letter in which you and the other associations withdraw your request for a revision of the standards:

MAYFLOWER HOTEL,
Washington, D.C., March 13, 1933.

With reference to the request made by the Liverpool Cotton Association on the 1st of February 1933, "that new universal standards be prepared for Good Middling and Strict Good Middling American cotton, with a view to eliminating the excessive buttery or creamy color in these standards", and the reply received from Mr. Foley February 10, 1933, I now beg to inform you on behalf of the Liverpool Cotton Association that we wish to withdraw this suggestion. This withdrawal has the support of the Milan, Ghent, Rotterdam, and Havre exchanges, and also the Federation of the Master Cotton Spinners, all of whom originally supported the proposal.

Mr. OLSEN. That, I believe, presents the salient facts in the request for these revisions of the standards. I take it that the statements we have here, then, indicate a withdrawal of the request. I should be glad to hear from any and all of the associations to the effect that they withdraw their requests for those revisions of the standards. I don't understand that the request for revisions in the standards came from quite all of the associations. It may be that representatives of these various associations may wish to make a brief statement regarding their position. Mr. Kitchen calls my attention to the fact that since the agreement of the Department is with the individual associations, we should hear from each of the associations.

Thereupon the representatives of the Milan, Ghent, Rotterdam, and Havre associations and the Federation of Master Cotton Spinners, confirmed, on behalf of those associations, their withdrawal of the request for reviews of the grades Good Middling and Strict Good Middling.

The chief of the Bureau announced, however, that a comprehensive study would be made of the standards situation with a view to determining whether, and to what extent, revisions of the standards might be desirable and that the results of this study would be presented to interested groups before further action would be taken.

A request on behalf of the European associations that the Universal Standards Conferences be held, and copies of the standards approved, once every 3 years instead of biennially as at present provided by the agreements, was not adopted, since the representatives of the Department and of the American industry were of opinion that the proposal was impracticable of accomplishment at that time.

Attention was directed to the technological work of the Department of Agriculture at the cotton-ginning laboratory at Stoneville, Miss., which has in view the improvement of cotton quality and of ginning and handling methods.

Some of the delegates from abroad again voiced objection to the use of sisal bagging on baled cotton, asserting that sisal wrappers have no re-use value and that sisal fibers remaining in the cotton after the bagging is removed impair the quality of the cotton yarn and cause difficulties in manufacture.

At this meeting it was agreed that during the conference of 1933 and in future conferences a special working set of the standards would be put aside and compared with the first reserve set and second reserve set so that it might be used as a basis of comparison by Department experts in the preparation of copies of the standards for presentation at future conferences.

EXTRA WHITE COTTON—REVISION OF STANDARDS

Standards for upland cotton known as Extra White to supersede the existing Extra White standards were promulgated by former Secretary Hyde to become

effective August 10, 1933—it being provided that the new standards may be used as permissive standards in the purchase and sale of Extra White cotton in spot transactions when specifically indicated. The new standards embrace five grades, Good Middling to Low Middling, inclusive. They apply to any cotton of American growth which corresponds to them in color, and in their promulgation selected bales were taken from each major section of the Cotton Belt. Since a substantial part of the cotton crop in some sections is of extra white color, it is expected that the new standards will contribute to convenience and accuracy of classification of cotton of this description.

The Secretary's order of promulgation is quoted:

PUBLIC NOTICE ESTABLISHING OFFICIAL COTTON STANDARDS OF THE UNITED STATES
FOR EXTRA WHITE COTTON

Pursuant to the authority vested in the Secretary of Agriculture by the United States Cotton Futures Act of August 11, 1916, as amended March 4, 1919 (U.S.C., title 26, secs. 731-752); May 31, 1920 (41 Stat. 725); and February 26, 1927 (U.S.C., Supp. 4, title 26, sec. 736); and by section 6 of the United States Cotton Standards Act of March 4, 1923 (U.S.C., title 7, secs. 51-65), I, Arthur M. Hyde, Secretary of Agriculture, do hereby establish, promulgate, and give public notice of standards for cotton known as Extra White, effective August 10, 1933, as hereinafter set forth. Said standards shall thereupon supersede and replace present standards for grades and colors of Extra White cotton which became effective under said acts on August 1, 1930.

For the purposes of these standards:

No. 3 Extra White, or Good Middling Extra White, shall be cotton which in grade and color is within the range represented by a set of samples in the custody of the United States Department of Agriculture in a container marked: "Original Official Cotton Standards of the United States, Extra White, No. 3 or Good Middling Extra White, effective August 10, 1933."

No. 4 Extra White, or Strict Middling Extra White, shall be cotton which in grade and color is within the range represented by a set of samples in the custody of the United States Department of Agriculture in a container marked: "Original Official Cotton Standards of the United States, Extra White, No. 4 or Strict Middling Extra White, effective August 10, 1933."

No. 5 Extra White, or Middling Extra White, shall be cotton which in grade and color is within the range represented by a set of samples in the custody of the United States Department of Agriculture in a container marked: "Original Official Cotton Standards of the United States, Extra White, No. 5 or Middling Extra White, effective August 10, 1933."

No. 6 Extra White, or Strict Low Middling Extra White, shall be cotton which in grade and color is within the range represented by a set of samples in the custody of the United States Department of Agriculture in a container marked: "Original Official Cotton Standards of the United States, Extra White, No. 6 or Strict Low Middling Extra White, effective August 10, 1933."

No. 7 Extra White, or Low Middling Extra White, shall be cotton which in grade and color is within the range represented by a set of samples in the custody of the United States Department of Agriculture in a container marked: "Original Official Cotton Standards of the United States, Extra White, No. 7 or Low Middling Extra White, effective August 10, 1933."

Until their effective date, August 10, 1933, the foregoing standards may be used as permissive standards in the purchase and sale of Extra White cotton in spot transactions, when specifically indicated.

In testimony whereof, I have hereunto set my hand and caused the official seal of the Department of Agriculture to be affixed in the city of Washington this 10th day of August 1932.



Arthur M. Hyde

Secretary of Agriculture.

HALF GRADES FOR AMERICAN-EGYPTIAN COTTON

The half grades for American-Egyptian cotton which were in use in connection with the old American-Egyptian standards were omitted when the revised standards were promulgated on August 10, 1929, it being supposed that the revision had been such that the cotton could be satisfactorily classed on the boxes and that the use of half grades would no longer be necessary. Actual experience, however, demonstrated that they were still needed both in the interest of more exact grade designation and in the interest of more satisfactory adjustments among buyers and sellers in cases where bales shipped are somewhat shy of the grades contracted for. The order repromulgating the intermediate or half grades, effective August 1, 1930, is given below:

PUBLIC NOTICE ESTABLISHING HALF GRADES FOR AMERICAN-EGYPTIAN COTTON

Pursuant to the authority vested in the Secretary of Agriculture by section 9 of the United States Cotton Futures Act of August 11, 1916, as amended, and by section 6 of the United States Cotton Standards Act of March 4, 1923, I, R. W. Dunlap, Acting Secretary of Agriculture, do hereby promulgate and give public notice of the following amendment, effective 1 year from this date, to the order of the Secretary of Agriculture dated April 10, 1929, effective August 1, 1930, establishing revised standards for grades and colors of cotton of varieties known as American Egyptian:

After section 5 insert a new section, as follows:

SECTION 5-A. *Intermediate grades*—American-Egyptian cotton which in grade and/or color is between any two adjacent grades described in sections 1 to 5, inclusive, of this order shall be designated by the word "grade" and the grade number of the higher of such two grades followed by the fraction " $\frac{1}{2}$ ".

Until the effective date of this order said intermediate grades may be used as tentative or permissive standards in the purchase and sale of American-Egyptian cotton.

In testimony whereof I have hereunto set my hand and caused the official seal of the Department of Agriculture to be affixed in the city of Washington this 3rd day of July 1930.



R. W. Dunlap

Acting Secretary.

DETERMINATIONS OF STAPLE LENGTH

The order of the Secretary of Agriculture promulgating the official standards for length of staple provides that "the length of staple of any cotton shall be the normal length by measurement, without regard to quality or value, of a typical portion of its fibers under a relative humidity of the atmosphere of 65 percent and a temperature of 70° F." In amplification of this definition, the order enumerates certain of the recognized lengths of staple in terms of the standard inch and fractions of an inch. In the practical application of the standards, the selection or determination of a "typical portion" of the fibers of any cotton is made by a process of manual "stapling." A method of manual stapling recommended by the Department of Agriculture is described in Service and Regulatory Announcements No. 41, of the Bureau of Markets, United States Department of Agriculture, and in subsequent publications.

As a further aid or guide in stapling, there have been established, in accordance with the law and with the orders of the Secretary of Agriculture, certain "original representations" of the standards for stated lengths of staple, which are in the form of bales of raw cotton, the contents of each of which are deemed officially to conform to the above definition of the standard for those lengths.

By careful examination, it has been established that raw cotton consists of fibers of many different lengths. Methods have been developed by which the fibers in any sample of cotton can be sorted and arrayed in groups in the order of their lengths. Much variability has been found in these arrays, but the typical portion of the fibers in these original representations determined by the method of stapling above described has been found in many cases to coincide with the modal length—that is to say, the fiber length of the largest (by

weight) length group in the sample. To illustrate: In a sample containing the percentages of lengths listed in the following tabulation, 1 inch is the modal length.

Lengths found in sample (inches)	Percent total weight	Lengths found in sample (inches)	Percent total weight
$1\frac{5}{8}$ -----	0. 02	$\frac{3}{4}$ -----	7. 50
$1\frac{1}{2}$ -----	0. 12	$\frac{1}{2}$ -----	5. 66
$1\frac{1}{4}$ -----	0. 38	$\frac{5}{8}$ -----	4. 73
$1\frac{3}{8}$ -----	0. 50	$\frac{1}{4}$ -----	2. 90
$1\frac{3}{4}$ -----	1. 21	$\frac{3}{2}$ -----	3. 09
$1\frac{7}{8}$ -----	1. 26	$\frac{1}{2}$ -----	2. 25
$1\frac{1}{2}$ -----	2. 96	$\frac{3}{8}$ -----	2. 03
$1\frac{1}{4}$ -----	3. 51	$\frac{1}{4}$ -----	1. 45
$1\frac{3}{8}$ -----	5. 56	$\frac{1}{2}$ -----	1. 48
$1\frac{1}{2}$ -----	7. 33	$\frac{3}{8}$ -----	1. 12
$1\frac{1}{4}$ -----	^a 15. 19	$\frac{1}{2}$ and shorter-----	1. 10
$\frac{3}{4}$ -----	10. 71		
$\frac{1}{2}$ -----	10. 32	Total-----	100. 00
$\frac{3}{8}$ -----	7. 62		

"Practical forms" of the staple standards (that is, official staple types) are prepared from bales selected to match the original representations, each containing approximately 1 pound of raw cotton, and bearing on its container a statement, certified by the Secretary of Agriculture, of the standard length of staple which it is issued to represent.

Inasmuch, therefore, as the order of promulgation of the staple standards provides that the length of any cotton shall be the "normal length by measurement" under the prescribed atmospheric conditions, the inch rule is the basic standard for length of staple. But because of the greater ease of comparison and because when nonstandard or variable atmospheric conditions are encountered the rule cannot be applied with certainty, the process of staple determination is facilitated by the use of staple types.

STAPLE STANDARDS—AMENDMENT OF OFFICIAL ORDER

The order of the Secretary of Agriculture promulgating the official standards for length of staple was amended by Acting Secretary Dunlap on July 30, 1932, effective August 1, 1933, by providing for the issuance of cotton staple types of the lengths thirteen-sixteenths, twenty-nine thirty-seconds, and thirty-one thirty-seconds inch. Descriptive standards for these lengths had been promulgated some years before (effective Nov. 16, 1929), and representatives of the various organizations, participating in a staple standards conference in Washington July 18-21, 1932, were invited to discuss the question of the representation of these additional lengths in physical form. The discussion brought out statements that cotton was being regularly bought and sold on these descriptions both in the domestic and in the export trade. Adverse arguments were found to be directed more against the principle of recognizing steps of thirty-seconds of an inch than against the proposal to represent in physical form the standards previously established for these lengths. Careful examination of the question and of the record of the discussion led to the conclusion that physical types for these lengths would be useful and that the weight of evidence was in favor of their promulgation. The Acting Secretary's order is quoted below:

AMENDMENT NO. 6 OF THE PUBLIC NOTICE ESTABLISHING OFFICIAL COTTON STANDARDS OF THE UNITED STATES FOR LENGTH OF STAPLE

By virtue of the authority vested in the Secretary of Agriculture by the United States Cotton Futures Act of August 11, 1916, as amended March 4, 1919 (U.S.C., title 26, secs. 731-752); May 31, 1920 (41 Stat. 725); and February 26, 1927 (U.S.C. supp. 4, title 26, sec. 736); and by section 6 of the United States Cotton Standards Act of March 4, 1923 (U.S.C., title 7, secs. 51-65), I, R. W. Dunlap, Acting Secretary of Agriculture, do make, prescribe, publish, and give public notice of the following amendment to the public notice establishing official cotton standards of the United States for length of staple, which said notice was issued by the Secretary of Agriculture on October 25,

^a Modal length.

1918, and subsequently amended by official orders dated August 4, 1921, September 18, 1924, July 31, 1925, March 5, 1928, and November 16, 1928:

Effective August 1, 1933, section 3 of said public notice is hereby amended to provide that the lengths of staple thirteen-sixteenths, twenty-nine thirty-seconds, and thirty-one thirty-seconds inch, respectively, shall each be represented by a quantity of American upland cotton suitably contained and marked "Original Representation of Official Cotton Standards of the United States (American Upland) Length of Staple", followed in each instance by the appropriate designation of staple length and the effective date hereof.

Prior to the effective date of such original representations, practical forms or copies thereof may be prepared for public distribution in accordance with the applicable provisions of the regulations of the Secretary of Agriculture under the United States Cotton Standards Act, which such practical forms or copies may be used permissively in the purchase and sale of American cotton in spot transactions.

In testimony whereof I have hereunto set my hand and caused the official seal of the Department of Agriculture to be affixed in the city of Washington, this 30th day of July, 1932.



R. M. Dunlap

Acting Secretary of Agriculture.

STAPLE PREMIUMS

The rule of the New Orleans Cotton Exchange on the subject of staple premiums, as revised on June 6, 1927, effective for contracts maturing on and after May 1, 1928, provided that cotton certificated as $\frac{1}{8}$ inch and 1 inch should be deliverable at 60 percent of the average premium for like staples as quoted on the day before the issuance of notice of delivery in such of the designated spot cotton markets as had established an adequate system of quotations for these lengths, and that any cotton having staple in excess of 1 inch might be delivered on contracts at the same premium as 1-inch cotton. Effective from and after November 5, 1931, on all contracts maturing in October 1932 and thereafter (except contracts for delivery in October 1932 and thereafter entered into prior to November 5, 1931) the rule was amended to read as follows:

Cotton declared by the United States Board of Cotton Examiners as having a length of $\frac{1}{8}$ inch and 1 inch shall be delivered on contracts at 100 percent and 75 percent, respectively, of the average premiums for like staples, as quoted on the day before issuance of notice of delivery, in such of the markets designated as bona fide spot markets by the United States Secretary of Agriculture, under the provisions of the United States Cotton Futures Act, as shall have established an adequate system of quotations of $\frac{1}{8}$ - and 1-inch cotton. Any cotton having staple in excess of 1 inch may be delivered on contracts, but shall not receive a higher premium, under this rule, than that of 1-inch cotton.

The rule of the New York Cotton Exchange on the subject of staple premiums is as follows:

A premium shall be allowed for $\frac{1}{8}$ - and 1-inch cotton. All cotton exceeding 1 inch in length shall receive the same premium as 1-inch cotton.

Said premium shall be 60 percent of the average premium for $\frac{1}{8}$ of an inch and 1-inch cotton, respectively, over $\frac{1}{8}$ -inch cotton of like grade, as quoted in the spot markets designated for the purpose of quoting grade differences under the regulations of the Secretary of Agriculture in accordance with the United States Cotton Futures Act and amendments thereto, upon the sixth business day prior to the date fixed for delivery: *Provided, however*, That if any one or more of the markets so designated do not quote the staple premiums herein referred to, then the premium in such of the markets as do quote shall be adopted as the basis for determining the above-mentioned premium.

The rule of the Chicago Board of Trade, as revised on December 18, 1931, effective for October 1932 contracts and thereafter, is as follows:

Cotton having $\frac{1}{8}$ -inch staple shall be contract cotton. Cotton having a length of $\frac{1}{8}$ and 1 inch shall be deliverable at 100 percent and 75 percent, respectively, of the average premiums paid for like grade and staple as quoted by the Houston and Galveston Cotton Exchanges on the day preceding the delivery of notice under rule 548. Cotton having a staple in excess of 1 inch shall be deemed to have a 1-inch staple under this rule.

It will be noted that the staple premiums in New York and New Orleans are based upon the averages of such of the bona fide spot cotton markets, designated by the Secretary of Agriculture under the Cotton Futures Act, as make provisions for quotations of staple premiums for $\frac{1}{8}$ - and 1-inch cotton. At

the present time six of the designated markets quote these premiums, namely, Memphis, New Orleans, Little Rock, Dallas, Houston, and Galveston.

The staple premiums applicable to the Chicago contract are based upon the average premiums of Houston and Galveston alone.

PREPARATION OF LONG-STAPLE COTTON

On May 20, 1929, the Secretary of Agriculture promulgated tentative standards for the preparation of long-staple cotton ($1\frac{1}{8}$ inches and above) of the grades Strict Middling, Middling, and Strict Low Middling. As will be seen on page 8, the manufacturers' delegates to the Universal Standards Conference of 1931 presented a resolution requesting that the tentative preparation standards be revised and that representatives of the manufacturers be permitted to participate in the revision. It will be noted that the revision requested was intended to bring about the approval of preparation standards which would match the universal standards with respect to the color and leaf of each grade. As promulgated in 1929, the standards were intended to represent preparation only, it being felt at the time that less opportunity for confusion would result if the factors of color and leaf were determined always by the white grades of the universal standards.

It was made evident at the time of the Universal Cotton Standards Conference of 1931 that the European associations were not sufficiently interested in the descriptions of preparation to wish the separate standards for preparation to be brought within the scope of the universal standards agreements.

On August 31, 1931, a meeting was held in Washington to consider proposed revisions of the tentative preparation standards which had been made up in an effort to have them conform as nearly as possible with the corresponding boxes of the universal standards in both color and leaf in accordance with the expressed desire of the American manufacturers.

Those in attendance from the industry were:

- A. W. Fisher, American Cotton Manufacturers Association, Charlotte, N.C., Cotton Textile Institute, New York, N.Y., and North Carolina Cotton Manufacturers Association, Charlotte, N.C.
- J. R. Mathews, North Carolina Cotton Manufacturers Association, Charlotte, N.C.
- B. P. Whitney, National Association of Cotton Manufacturers, Boston, Mass.
- W. E. Acton, National Association of Cotton Manufacturers., Boston, Mass.
- Russel T. Fisher, National Association of Cotton Manufacturers, Boston, Mass.
- E. W. Montgomery, South Carolina Cotton Manufacturers Assn., Greenville, S.C.
- C. D. Gray, Gaston County Textile Association, Boston, Mass.
- R. L. Crittenden, New England Cotton Buyers Association, Boston, Mass.
- E. G. Parker, Cotton States Arbitration Board, Atlanta, Ga.
- H. Baumgarten, New Orleans Cotton Exchange, New Orleans, La.
- W. J. Britton, American Cotton Shippers Association, Memphis Tenn., Arkansas Cotton Trade Association, Little Rock, Ark., Southern Cotton Shippers Association, Memphis, Tenn., and Texas Cotton Association, Waco, Tex.
- C. W. Speer, American Cotton Cooperative Association, New Orleans, La.

After the proposed revisions had been examined and considered by all of the trade representatives in attendance, R. T. Fisher read, on behalf of the manufacturers' representatives, a brief statement to the effect that they had gone over the new boxes and felt that their differences of opinion with the shippers' representatives could not be reconciled, and for this reason they suggested leaving the matter in the hands of the Department of Agriculture. Except as to minor particulars easily susceptible to adjustment, the proposed revisions were acceptable to the representatives of other groups.

The Chief of the Bureau of Agricultural Economics announced in conclusion that the Department would leave the entire question in status quo for the present but that the Bureau would be glad to receive any samples which any of the delegates might wish to send in as representing their ideas as to desirable changes in the tentative preparation standards. It has not so far (April 1934) seemed practicable to reopen the question.

EXCERPTS FROM LETTERS OF GENERAL INTEREST

STAPLE TYPES—USE OF OBSOLETE TYPES IN INTERSTATE OR FOREIGN COMMERCE IS OF DOUBTFUL LEGALITY

Question. Whether purchases and sales might be based upon an obsolete series of staple types?

Reply. Although the courts have not, so far as we know, construed the language of the Cotton Standards Act as it would apply to purchases and sales in interstate or foreign commerce based upon an old series of standards which have been superseded by others, it is the provisions of this act, particularly section 2, which lead us strongly to question the legality of such a transaction.

AMERICAN-EGYPTIAN COTTON—HALF GRADES

Question. Whether grade no. 1½ is higher or lower than grade no. 1?

Reply. The order of promulgation provides that American-Egyptian cotton which in grade and/or color is between any two adjoining grades, shall be designated by the word "grade" and the grade number of the higher of such two grades, followed by the fraction of ½. Therefore 1½ falls between 1 and 2 and is lower than no. 1.

AMERICAN-EGYPTIAN COTTON—CLASSIFICATION OF HIGH-DENSITY COTTON

Question. Whether the appeal board of review examiners makes any allowance in grading Arizona Pima samples from high-density bales.

Reply. All samples are properly conditioned before classing. The board has no discretion, after the samples have been properly conditioned, to make any allowance in comparing such samples against the grade boxes merely because the samples are from high-density bales.

EGYPTIAN COTTON—LENGTH WILL BE DETERMINED ALTHOUGH STANDARDS APPLY OFFICIALLY ONLY TO AMERICAN COTTON

Question. Whether boards of cotton examiners will determine length of imported Egyptian cotton "said to be less than 1½ inches in length."

Reply. The board will be glad to determine the length of any types or samples which may be submitted from time to time for form A determinations under the United States Cotton Standards Act. It has been considered proper for the board to give this type of service in accordance with the terms applicable to American cotton, although the staple standards apply officially to American-grown cotton and not to that produced in foreign countries.

LICENSED CLASSIFIERS—MUST BE ENGAGED MAINLY IN CLASSING AND MUST OBSERVE STANDARDS

Question. The holder of a cotton classifier's license under the United States Cotton Standards Act requested a renewal of his license but explained that "I do not keep the class nor record of each individual bale I class, as at the present I am in the spot-cotton brokerage business, and it is not necessary that I should, nor would it be practical to do so, as the buyer of each lot of cotton wants to do his own classing; however, should I act on any committee in an arbitration, will keep a record of class on each individual bale."

Reply. We understand from your explanation that little if any cotton is actually classified by you, and for this reason it appears that you are not in a position to meet the requirement of the revised regulations to the effect that it shall be a condition of the retention by any cotton classifier of a license under the act that during the active cotton season each year he shall be engaged mainly in or in connection with actual classification work. Moreover, the Bureau could not, in the proper discharge of its duties, allow a license to be held by any person who while known to the public as a licensed classifier is obliged to invoice or account for cotton on a classification other than that determined by him in strict accordance with the official standards.

PUBLIC RESOLUTION NO. 73, 72D CONGRESS

[47 Stat.L. 1621]

JOINT RESOLUTION

To authorize and direct the Secretary of Agriculture to provide additional facilities for the classification of cotton under the United States Cotton Standards Act.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of Agriculture be requested to extend to cotton growers facilities for the classification of cotton authorized in the United States Cotton Standards Act of March 4, 1923 (42 Stat.L. 1517), with such supervision of licensed classifiers as he shall deem necessary under authority of the United States Cotton Futures (Standards) Act.

SEC. 2. Further to carry out the purposes of the said United States Cotton Standards Act, the Secretary of Agriculture is authorized to issue to any qualified person, upon presentation of satisfactory evidence of competency, a license to sample cotton. Any such license may be suspended or revoked by the Secretary of Agriculture whenever he is satisfied that such licensee is incompetent or has knowingly or carelessly sampled cotton improperly, or has violated any provision of said act or the regulations thereunder so far as the same may relate to him, or has used his license, or allowed it to be used, for any improper purpose. The Secretary of Agriculture may prescribe by regulation the conditions under which licenses may be issued hereunder, and may require any licensed sampler to give bond for the faithful performance of his duties and for the protection of persons affected thereby and may prescribe the conditions under which cotton shall be sampled by licensed samplers for the purpose of classification by officers of the Department of Agriculture or by licensed cotton classifiers.

Approved March 4, 1933.

EXCERPT FROM THE ACT APPROVED MARCH 26, 1934, MAKING APPROPRIATIONS FOR THE DEPARTMENT OF AGRICULTURE FOR THE FISCAL YEAR ENDING JUNE 30, 1935, AND FOR OTHER PURPOSES

[Public, No. 131, 73d Cong.]

ENFORCEMENT OF THE UNITED STATES COTTON FUTURES ACT AND UNITED STATES COTTON STANDARDS ACT

To enable the Secretary of Agriculture to carry into effect the provisions of the United States Cotton Futures Act, as amended March 4, 1919 (U.S.C., title 26, secs. 731-752), and to carry into effect the provisions of the United States Cotton Standards Act, approved March 4, 1923 (U.S.C., title 7, secs. 51-65), including all expenses necessary for the purchase of equipment and supplies; for travel; for the employment of persons in the city of Washington and elsewhere; and for all other expenses, including rent outside of the District of Columbia, that may be necessary in executing the provisions of these acts, including such means as may be necessary for effectuating agreements heretofore or hereafter made with cotton associations, cotton exchanges, and other cotton organizations in foreign countries, for the adoption, use, and observance of universal standards of cotton classification, for the arbitration or settlement of disputes with respect thereto, and for the preparation, distribution, inspection, and protection of the practical forms or copies thereof under such agreements. * * *



